

(b) About Rs. 50 lakhs.

(c) Siemens of Germany, the Associated Electrical Industries Ltd. of the United Kingdom and S.E.R. Ajnsaldo—San Giorgio of Genoa, Italy.

(d) This is subject to negotiation with the firm whose project report is finally accepted.

CENTRAL EXPENDITURE ON NILOKHERI TOWNSHIP

105. SHRI P. C. BHANJ DEO: Will the Minister for REHABILITATION be pleased to state:

(a) the actual expenditure incurred up to date by the Central Government on the construction of the Nilokheri township; and

(b) the amount recoverable from the State Government as a result of the handing over of this township to the State?

THE MINISTER FOR REHABILITATION (SHRI A. P. JAIN): (a) About rupees one crore.

(b) The question of recovery does not arise as only the administrative control of the Township has been transferred to the Punjab Government and the Government of India continue to retain proprietary rights in the shops, houses and industrial institutions and direct control over Polytechnic and Printing Press.

CONSTRUCTION OF D. D. T. FACTORY

106. SHRI P. C. BHANJ DEO: Will the Minister for PRODUCTION be pleased to refer to the answer given in the Council to Starred Question No. 209 on the 7th September 1953 and state when the construction work of the D.D.T. Factory actually began?

THE MINISTER FOR PRODUCTION (SHRI K. C. REDDY): The construction work of the building for the Factory started on the 2nd November 1953.

MESSAGE FROM THE PRESIDENT

MR. CHAIRMAN: I have to inform Members of the Council that I have received the following message from the President:

"I have received with great satisfaction the expression of thanks by the Members of the Council of States for the Address I delivered to both the Houses of Parliament assembled together on the 15th February 1954."

MESSAGE FROM THE HOUSE OF THE PEOPLE

THE BARS LIGHT RAILWAY COMPANY (TRANSFERRED LIABILITIES) BILL, 1954

SECRETARY: Sir, I have to report to the Council the following message received from the House of the People, signed by the Secretary to the House:

"In accordance with the provisions of Rule 132 of the Rules of Procedure and Conduct of Business in the House of the People, I am directed to enclose herewith a copy of the Barsi Light Railway Company (Transferred Liabilities) Bill, 1954, which has been passed by the House at its sitting held on the 27th February 1954.

I lay the Bill on the Table.

THE APPROPRIATION BILL, 1954

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH): Sir, I beg to move:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1953-54, as passed by the House of the People, be taken into consideration."

Sir, I do not think I should take up the time of the House in making an introductory speech on this Appropriation Bill. We have already circulated

a booklet on the Supplementary Demands for Grants, and there in that booklet explanations have been given in the foot-notes for the Demands made by the Ministries and everything has been explained there. So after the debate, if there is any point which ought to be explained, I shall be glad to explain that point.

Sir, I move.

PROF. G. RANGA (Andhra): Sir, before you place the motion, would it be inappropriate to express our dissatisfaction at the hon. Minister not having thought it necessary to give some explanatory remarks to the House? On the other hand he asks the House here to look up the brief foot-notes that they have given in the list of Supplementary Demands.

SHRI M. C. SHAH: I only thought that I should not take up the time of the House by any such speech. If you want I am prepared to make a speech, but that would be only taking up some time from the short time that is in all available.

PROF. G. RANGA: But more time might be taken up in the actual discussion if you do not make a speech now, explaining the points.

SHRI M. C. SHAH: All right. I am ready. Sir,.....

MR. CHAIRMAN: All right. Go on.

SHRI M. C. SHAH: Sir, the Supplementary Demands involve a gross expenditure of Rs. 8-49 crores in the Revenue Budget, Rs. 8-40 crores under Capital Outlay, Rs. 29 crores under Loans and Rs. 38 crores under Repayment of Debt.

[MR. DEPUTY CHAIRMAN in the Chair.]

Of this gross expenditure, recoveries to the extent of Rs. 15 lakhs on the revenue side and Rs. 639 lakhs on the capital side are also anticipated. Sir, in the revenue portion Rs. 2-88 crores represents the purchase of aircraft for the Defence Services, Rs. 1 • 94

crores interest charges largely due to the increase in the discount on treasury bills consequent on the rise of discount rates; Rs. 150 lakhs for food subsidy to Travancore-Cochin, Rs. 48 lakhs payment of arrears of food bonuses to certain States, Rs. 66 lakhs for purchase of stationery owing to increased indents by Departments and States; Rs. 24 lakhs revision of privy purse of Baroda with retrospective effect; Rs. 23 lakhs payment to the State Governments of Uttar Pradesh, Himachal Pradesh and Punjab for border police.

Excluding the items mentioned earlier, the balance on the revenue side comes to Rs. 56 lakhs which is spread over a number of items and represent unforeseen and unavoidable increase in expenditure.

Under capital outlay, Rs. 592 lakhs represent food purchases for Delhi rationing scheme which is due to change in the accounting procedure, Rs. 185 lakhs represent the capital advances to the Air Corporations and Rs. 58 lakhs the Centre's share of the additional requirements of the Damodar Valley Corporation. The balance of Rs. 5 lakhs relates to the purchase of a transmitter for All India Radio.

As regards the loans, these relate to the ways and means advances to composite Madras, and developmental loans to the States. The payment of debt is due to increase in the treasury bill discharges consequent on larger investment by States. The net expansion during the year, as has been explained in the Budget presented to the Council on the 27th February actually is less than was assumed originally and is Rs. 80 crores- as against Rs. 110 crores.

This is a short Budget of the Supplementary Demands during the current year.

In the August-September 1953 session of Parliament, Supplementary Grants for a gross expenditure of Rs. 10'36 crores were obtained. But with the receipts and recoveries amounting to Rs. 800 lakhs taken in reduction of

[Shri M. C. Shah.] these grants, the net additional expenditure came to Rs. 236 lakhs. Similarly in the November-December session of Parliament, Supplementary Grants for a gross expenditure of Rs. 14-66 crores were taken against which recoveries amounting to Rs. 13-84 crores were to be adjusted in reduction of expenditure, leaving a net expenditure of Rs. 82 lakhs only. Including the present Budget, the total of Supplementary Demands this year amount to Rs. 108-91 crores.

This represents 4-4 per cent, of the original appropriations aggregating to Rs. 2,427-49 crores. Hon. Members will appreciate that over such a large number of Demands, it is not always practicable to make perfectly accurate estimates and *new* and unforeseen and emergent expenditure cannot be avoided. And Supplementary Demands have to be applied for, if the sanctioned grants prove inadequate or a 'new service is involved. That is a constitutional requirement and hence the necessity for Supplementary Demands in almost every session of Parliament.

Sir, I move.

MR. DEPUTY CHAIRMAN: Motion moved:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1953-54, as passed by the House of the People, be taken into consideration."

3 P.M.

SHRI KISHEN CHAND (Hyderabad¹): Mr. Deputy Chairman, Sir.....

MR. DEPUTY CHAIRMAN: There are only forty minutes for all the stages of the Bill.

SHRI KISHEN CHAND: I will not take more than ten minutes, Sir.

I agree, Sir, that in a total appropriation of Rs. 2,400 crores, a supplementary demand for about Rs. 100 crores is only about 4 per cent, and that accurate estimate cannot possibly be made. Sir, if in particular items, the expenditure is increased to a very large extent, the whole basis of the Budget is changed. When the Budget is presented to Parliament a picture is drawn and hon. Members get certain idea of Government expenditure. By means of these Supplementary Demands, the whole picture can be changed and as the Supplementary Demands are asked for off and on, it is not easy for hon. Members to visualise the picture.

I draw your attention, Sir, to one or two items in this Appropriation Bill. In particular, I draw your attention to item No. 14, Defence Services—Effective—Air Force, totalling Rs. 2,87,66,000. You know, Sir, in the original Budget it was pointed out that the expenditure on defence was excessive. There are other items in this Appropriation Bill which may be justified because they lead to income, but this item does not lead to any income. Therefore, it is entirely an item of expenditure. I do not see any reason why the defence expenditure, which was already too high, amounting to nearly Rs. 200 crores in a Budget of Rs. 400 crores, should be further augmented by this additional demand.

Further, Sir, I come to the item— there is no number given to it— Charged—Interest on Debt and other Obligations and reduction or avoidance of Debt—which amounts to a sum of Rs. 1,94,00,000. I submit, Sir, that the borrowing policy of our Government is not right as we have to pay higher rates of interest. The hon. Finance Minister has pointed out that this is due to the increased rate of interest that is being paid on Treasury Bills. We find, Sir, that the rate of interest is being progressively increased.

PROF. G. RANGA: Cannot the Secretariat be a little more vigilant

and inform the Members that the Lobby is not meant for a Conference?

MR. DEPUTY CHAIRMAN: Yes.

SHRI KISHEN CHAND: Our borrowing policy has **drained the** money market to such an extent that the Government of India is forced to offer higher rates of interest and the burden of interest is becoming very heavy. Hon. Members probably know that the total interest paid by the Government of India amounts to about Rs. 88 crores every year.

SHRI M. C. SHAH: What does it matter?

SHRI KISHEN CHAND: Of course, we recover some portion from the States; we recover some portion from the Railways and we recover some portion from the Posts and Telegraphs; but even then the net interest paid by the Government of India is over Rs. 35 crores, and this Rs. 1,04,00,000 will be an additional amount.

Then, Sir, I come to another grant which is also charged on the Consolidated Fund of India, that is, No. 89. This item relates to an expenditure of Rs. 24,00,000 which is the amount of the Privy Purse paid to the Ruler of the Baroda State since his deposition in 1951. The successor to the *gadi*, his son, is getting a Privy Purse of Rs. 10 lakhs and now the Government of India has decided to pay a sum of Rs. 4J lakhs per year to the ex-Ruler, and this is the accumulated amount. I strongly oppose it, Sir. It has been said in this House that as per the Constitution and by an agreement, the Rulers of the Indian States are entitled to their Privy Purse. Many Members have strong objection to it but if we take it for granted that that amount has to be paid, in this particular case for anti-Indian activities, this Ruler was deprived of the Privy Purse. Once he has been deprived of the Privy Purse, I do not see any justification for reviving the grant and for giving him that huge

amount of Rs. 4£ lakhs per year retrospectively since his deposition.

I now come to item No. 105. Tjji relates to stationery and printing. I do not see any reason, Sir, for a wrong estimate in our Budget to the extent of Rs. 65 lakhs. I do not think, Sir, that since the Budget was presented any new departments of such magnitude have been created that their* stationery and printing expenditure will be about Rs. 65 lakhs. This expenditure of Rs. 65 lakhs is nearly equal to the total stationery expenditure for the whole Government of India and when we want a supplementary demand of Rs. 65 lakhs, I think there should be specific justification and the hon. Finance Minister should point out why such a big demand is being made now.

Then, Sir, I come to item No. 125— Other Capital Outlay of the Ministry of Food and Agriculture. The hon. Minister has pointed out certain requirements for foodgrains to the extent of a few lakhs of rupees but the demand here is for Rs. 5,91,73,000. Probably it relates to the purchase of sugar but the hon. Minister did not want to refer to it.

SHRI M. C. SHAH: No, no.

SHRI KISHEN CHAND: Here again I would point out that this House has several times discussed this question and has come to the conclusion that the import of sugar is a great drain on our country, that our country should try to be self-sufficient in sugar and that that is possible only if we increase the price of cane paid to the cane grower. It is on account of our policy of not giving sufficient price to the cane grower that we are forced to go on importing year after year larger and larger stocks of sugar from abroad. I hear, Sir, that the hon. Minister for Food intends importing about five lakhs of tons of sugar next year.

SHRI M. C. SHAH: It is not with regard to sugar. If you read the

[Shri M. C. Shah.]

foot-note you will get the entire picture. Take the trouble, please.

SHRI KISHEN CHAND: I would submit, Sir, very humbly that it will be very much better if together with this Appropriation Bill a short note of say one page to serve as a sort of explanation, is supplied, because in an Appropriation Bill both the income and the expenditure are added together and a lump sum Grant is demanded.

SHRI M. C. SHAH: We have already circulated these Supplementary Demands for Grants to all the Members of the Council of States and if my friend reads the foot-note on page 27 he will find the explanation.

PROF. G. RANGA: What about 47?

SHRI M. C. SHAH: Everything is there if you only take the trouble of going through them.

SHRI KISHEN CHAND: As I was saying, Sir, I am sorry if this Demand No. 125 does not relate to sugar and in so far as I have said anything about sugar I beg to withdraw it. Otherwise my contention is that such a big amount, as has been stated here, is incorrect. It should have been in the original Budget. Therefore, Sir, I beg to point out that in future the hon. the Finance Minister will take greater care to so frame his Budget that the need for Supplementary Bills does not arise from year to year.

SHRI B. GUPTA (West Bengal): Mr. Deputy Chairman, every time I look on these supposedly Appropriation Bills I feel as if they are misappropriation bills, for misappropriation of public funds.

Although my hon. friend has pointed out to Demand No. 89 which provides for Privy Purses I would also like to say a few words about that particular item. It seems to me that the Government is so kindly disposed towards the princes that they make very subs-

tantial grants for these people even before they ask for them. The same gentlemen swooped down upon the teachers of Calcutta who were demanding a little more money for their barest living.

Sir, I do not know why on earth the deposed or rather the compulsorily retired Sir Pratap Singh should be provided for with a sum of Rs. 44 lakhs every year. Sir, we find in the same document that has been supplied to us that his son is now the recognised Ruler. He is the prince who enjoys the blessings and kindness of the present regime and that of course fetches him every year Rs. 10 lakhs. Now the Government of India seems to have taken a sort of human sympathy for the present ruler's father and now they provide for another Rs. 44 lakhs to be given to the son so that the worthy son can discharge his duties towards the retired father, that is to say, Sir Pratap Singh. Now, Sir, this money is again given with retrospective effect. When the workers demand money, when the teachers demand it, when the Government employees demand money they are not given anything, not even with prospective effect, "but when it comes to the question of these princes we find the Government of India paying them with both hands and giving retrospective effect to the grants that are made to them. So by the grace of the Government of India this ex-Ruler will be receiving a sum of Rs. 13 lakhs or Rs. 14 lakhs in full payment of arrears and towards the current year's instalments—of course through his son because this extra grant is to the present ruler.

Now does the Government of India really believe that this gentleman is so stranded that he cannot do without such money? Or have they found it that he has no funds at all? Has all his money been frozen? As far as we know, Sir, certain princes were made to quit their office but at the same time they were allowed to run away with huge fortunes and the money is lying with them. Why then should

this grant be made. The Government state on page 21 of the Supplementary Demands for Grants 1953-54 in this connection: "After careful consideration it has now been decided that Sir Pratap Singh and his wife and children should get some allowance." How kind it is! They have warmed up and they have provided such huge fortunes to these people who should not to be paid a penny.

Now, Sir, when they appear at the Congress platform or at public *maidans* to speak they say something against these Privy Purses. They express their feelings against them. Even at the Kalyani Congress Session certain gentlemen of the ruling tribe appeared on the platform to express their feelings against this business of Privy Purses and those very gentlemen having returned from the Kalyani Session are now pleading for fresh sums of money. I say it is a clear case of double book-keeping, book-keeping of a political nature. Now when you face the public you say one thing. When you come to Parliament where you enjoy a very comfortable majority, you say exactly the opposite thing. There you shed crocodile tears for the people: here you shower gold on the princes. That is what I call a lamentable and most despicable piece of double political book-keeping. Sir, I protest against this Grant, and the Government should come to its senses. I do not know what will happen to their princes in Travancore-Cochin, but I warn them that they should wake up betimes and stop such payments which the public funds do not permit and which any sense of morality would not justify.

Sir, not only that. You And that the little Raja of Poonch has been sanctioned as allowance of Rs. 1,200 per month. They seem to be discovering all the Rajas and Maharajas all over India in order to pay them money. I do not know how many Rajas they are going to find out. It seems that the Nizam of Hyderabad also should be given some more money at once. The Nizam of Hyderabad seems to be

139 C.S.D.

in such distress with all the crores and crores of rupees in his pockets, that unless and until the Government immediately pay some cash he would become a sort of displaced person, stranded in the streets of Hyderabad. This type of tomfoolery the Government should stop. They should stop every payment to the princes, supplementary or otherwise.

Then, Sir, I would take Demand No. 48. Here under the Ministry of Health a provision is sought to be made for the appointment of Deputy Ministers. Since when Deputy Ministers have become medical practitioners or nurses or hospital-keepers, I do not know. All that we want from that particular department is not an army of Deputy Ministers and Parliamentary Secretaries and all the rest...

SHRI M. C. SHAH: It is not Deputy Minister. It is Deputy Secretary and Under Secretary.

SHRI B. GUPTA: I am sorry. In a way it is better. He does some job. Even so these Deputy Secretaries are not doctors. What we want for this Ministry of Health today is to look after the hospitals in the country, improve, the hospitalisation in the country, to see that there are more beds in the hospitals, to see that the nurses are well paid, to see that the doctors do not go unemployed and that they are put to the service of the people when so many people are diseased and are dying for want of treatment. Now instead of that, these gentlemen come here and ask us to find a little more money for the Deputy Secretary. The sum is not very much compared to the crores of rupees they squander; but compared to the standard of living of the common man it is certainly a fairly sizeable amount which is to be objected to.

Now, Sir, as far as the Ministry of Health is concerned, this kind of Supplementary Grant does not help matters; on the contrary they create misgivings in the minds of the public because it seems that the Government

[Shri B. Gupta.]
is not much interested in improving the health of the country. Had it been so they would have come here for more grants for hospitals, for doctors, for nurses and so on so that.....

SHRI M. C. SHAH: They are provided for in the Budget.

SHRI B. GUPTA: It is not much. It is less than one per cent.

Now there is another item, Demand No. 38, for the Planning Commission. It seems that the Government is now about to carry out some research work— what will be discovered I do not know—but it seems they will set up certain committees in order to investigate certain social, economic and administrative problems. May I tell these gentlemen who make out these proposals for research committees that they had better engage themselves in finding out to what extent the people had benefited by the operation of the Plan for the last three years, how it has affected the standard of living of the people, the various classes had been affected by the Plan and all that sort of important things. These are very material subjects for investigation, but they seem to avoid this kind of investigation. I can understand why they avoid it because it does not suit them. They start other types of investigation and dish out certain meaningless and futile statistics before us in order to show how their Five Year Plan is progressing. This is a futile grant of money which will be wasted. That need not be wasted at all. We certainly want more research work even under this Government but that should be constructive. That should deal with the problems of the people as they are and they should not go to work out some imaginary figures or some meaningless statistics in order to justify some pre-established cases of the Government.

Then, Sir, there is Demand No. 6 relating to Posts and Telegraphs for certain moneys for interest charges and what not. The money should be found from the internal resources of

this Department and for that economy should be practised. But we find that exactly the opposite thing is being done there. Take, for instance, the Calcutta Telephones which we have in our city there. At Dalhousie Square they are building a huge mansion but the job has been given to a foreign architect firm whereas Indian architects are available.

(Time bell rings.)

MR. DEPUTY CHAIRMAN: Mr. Gupta, you have to speak in this Appropriation Bill, not on the Telephone Exchange that is being built in Calcutta.

SHRI B. GUPTA: We are taking this opportunity to show that public money is being misappropriated.....

MR. DEPUTY CHAIRMAN: But you have to limit yourself to the Appropriation Bill. And the time is also very limited. I believe Prof. Ranga also wants a few minutes.

SHRI B. GUPTA: Sir, if there is this sort of exchanges between you and me, time will be lost for me.

MR. DEPUTY CHAIRMAN: You please finish soon.

SHRI B. GUPTA: Sir, they have given this job to foreign architects, Messrs Ballardie, Thompson and Mathews and they are going to lose about Rs. 15 lakhs. This could have been given to some Indian concerns. Indian architects are there.

MR. DEPUTY CHAIRMAN: All this you can have tomorrow during the general discussion on the Budget. You will have plenty of time.

SHRI B. GUPTA: These are the points which I wish to make here. Of course, I know they will not weigh with these gentlemen who are set on squandering public funds and coming forward for heaps of Supplementary Grants which are after all grants to themselves and their friends. Still, all this has to be said in public interest,

because after all the final accounting will take place some day or other.

PROF. G. RANGA: Mr. Deputy Chairman, one naturally enjoys the holocaust of criticism from our friend Mr. Bhupesh Gupta and when we are in the Opposition we naturally enjoy the privilege of taking the Treasury Benches to task, but at the same time I do feel a little hurt when the word 'tribe' is hurled at them. After all, we are all part and parcel of the

SHRI B. GUPTA: I mean political tribe.

PROF. G. RANGA: Because my hon. friend raises strong objections when statements are being made by the Government in regard to their political affiliations and so on. Therefore I do not think we gain anything by hurling words at each other when we are all citizens of the same country, when one group belongs to one tribe and another group belongs to another tribe.

Then, Sir, I am not happy with this new practice of introducing these Supplementary Grants more than once in our Legislature. This is an innovation. I would like the hon. Finance Minister and his Deputies to consider this matter carefully and then thereafter of course to decide what would be the possible thing for them to do. I am not also happy at the large sums of money that our Government is going to spend on interest on debts—interest on Treasury Bills. I was told—I am subject to correction here—that at one time during the last year they had deposits to their credit to the tune of Rs. 90 crores and in spite of that they were going into the market. Placing these Treasury Bills they are asking for subscriptions from the public and then paying interest thereupon. Then what would be the result? Necessarily we lose more and more. Last year our expenditure on interest alone seems to have come a little more than Rs. 7 crores. Was it all absolutely necessary? I would like the Government to study this matter rather carefully and then

space the placing of their Treasury Bills in the market in such a way that they would be able to minimise expenditure on interest payments* That way they might even help private enterprise to come into the market and find enough money when there is not this competition from the Government. And thirdly if they could only avoid going to the money market so freely it is possible it may not be necessary for them to have to pay 2 per cent., 24 per cent, and 2½ per cent, interest. After all, all these have to come out of our General Revenues. Therefore, I would like the Finance Minister to examine this matter carefully.

Lastly, Sir, I only want a minute to refer to this special help that was sought to be given to Delhi in order to enable them to provide rationing in this city. I hope I heard him right. The hon. Minister said that they were going either to reduce this commitment or completely give up this rationing in this city. I do hope that very soon we will be able to hear from them that they would not have to spend any more money from the Central revenues on this special servicing of the Delhi population.

MR. DEPUTY CHAIRMAN: The hon. Deputy Minister.

SHRI H. P. SAKSENA (Uttar Pradesh) : No opportunity for me for one minute?

MR. DEPUTY CHAIRMAN: Mr. Shah will reply to the debate.

SHRI M. C. SHAH: Sir, I will first take up Demand No. 89 about which a point was raised by my friend Mr. Kishen Chand and Mr. Bhupesh Gupta. But Mr. Bhupesh Gupta is not in his seat to hear the reply.

AN HON. MEMBER: He has done his job.

SHRI M. C. SHAH: As you all know, there is a guarantee in the Constitution to give Privy Purses to the Rulers who handed over their States to the Central Union. As a matter of fact,

[Shri M. C. Shah.] so far as Baroda was concerned, the Privy Purse was Rs. 26 lakhs. But when this Ruler was de-recognised, there was the question of paying some amount for the maintenance of the Maharani of the ex-Ruler as well as his sons and daughter. That matter was kept pending for a very long time. Negotiations went on and finally we decided that the Maharani, her two sons and the unmarried daughter must be given Rs. 2 54 lakhs during the life time of the Maharani, till the sons reached the age of 25 and till the daughter got herself married.

SHRI S. MAHANTY (Orissa): Which State please?

SHRI M. C. SHAH: Baroda. As I said, the Privy Purse fixed for the Maharaja of Baroda under the Constitutional guarantee was Rs. 26 lakhs. When he was de-recognised that sum had to be revised. For the Maharaja, that is the present Maharaja who was recognised as the Ruler, the Purse was fixed at Rs. 10 lakhs, but for the Maharani of the ex-Ruler as well as for her two sons and one unmarried daughter, a certain sum had to be fixed. For that negotiations were carried on. We discussed the matter and finally we came to the decision **that** a sum of Rs. 2-54 lakhs should be given for the Maharani of the ex-Ruler.

SHRI S. MAHANTY: Was it stipulated under the Agreement? That is what I am asking.

SHRI M. C. SHAH: Under the Constitution the guarantee is that the Privy Purse shown in the Agreement should be given during the lifetime of the Ruler. But when that Ruler was no more and a new Ruler came a new Privy Purse had to be fixed.

SHRI S. MAHANTY: Sir, what I want to know is this. Was it stipulated in the Agreement that the Maharani of the ex-Ruler would also get this grant? That is what I am asking.

SHRI M. C. SHAH: That was included in the amount of Rs. 26 lakhs. And as a matter of fact, after the derecognition of this Maharaja the Privy Purse of Maharaja alone was fixed at Rs. 10 lakhs. And a sum for Maharani and sons and daughters was to be fixed, and that was fixed at Rs. 2,54,000. That is to be given as long as the Maharani is alive and till that unmarried daughter is married and till those sons attain the age of 25 years. This sum is to be given from the time the new Ruler has been recognised. And at the same time the Maharaja had made an appeal to the President for being granted some sum for his maintenance and all those things, and after a long discussion and after so many conditions being imposed he was given Rs. 2 lakhs. And therefore, as a matter of fact, there has been a saving to the Government of India to the extent of nearly Rs. 12 lakhs a year because that Maharaja was de-recognised. Therefore there is no cause for any criticism that the Government of India treats these Rulers very lavishly or generously.

SHRI S. MAHANTY: Question.

SHRI M. C. SHAH: You may question and question, but the fact remains that there is a saving of nearly Rs. 12 lakhs to the exchequer of the Government of India by a reduction in the Privy Purse even during the life-time of this ex-Maharaja. Sir, I do not think there is much to be said about that.

Now about item No. 105—Stationery and Printing—something has been said. In the explanation it is indicated very clearly why this additional sum is needed. The orders were for 23,260 tons of plain paper, 3,000 reams of hand-made paper and some additional quantity of carbon paper, etc. These orders had already been placed, and as the supplies were not received during the year, we had to make an additional provision to the tune of Rs. 24 lakhs for this purpose. These orders were placed last year till they were not complied with during

that year. So there is nothing unusual in this. There is that stock of paper which we can use.

Now, Sir, about the rate of interest Mr. Kishen Chand had raised some point. As a matter of fact, when we presented the Budgets last year, we thought that the rate of interest for the Treasury Bills would be about 2 per cent. We calculated on that basis. Now after the experience of eleven months and odd we find that the average rate of interest comes to Rs. 2-7-0, and therefore we have to provide for that sum.

SHRI KISHEN CHAND: On a point of order, Sir. I only pointed out that due to the wrong policy of the Government we were paying a high rate of interest.

SHRI M. C. SHAH: It is not the wrong policy of the Government. As a matter of fact, we fixed the rate of interest that prevailed then. We had to pay about Rs. 2 on that basis. We budgeted at the rate of 2 per cent., but the market conditions became rather stringent and the rate of interest went up, and therefore, Rs. 2-7-0 was the average rate of interest for those Treasury Bills, and therefore we had to make this additional provision. And always it is better to budget on the basis of the rates prevailing in the market and we should not provide for a higher rate of interest and we should not give that indication to the market people. So that is all.

SHRI KISHEN CHAND: Item 14?

SHRI M. C. SHAH: As a matter of fact, we have budgeted for all the three kinds of arms. Now in the case of one, we did not spend much and there was rather a saving. It is rather Rs. 16 lakhs less than what was budgeted for, and I do not think there is any scope for criticism. Sometimes it so happens that a certain part of the order may not be complied with and the things covered by the other part—another service—may be easily available. And therefore there is this de-

mand for Rs. 2 crores and odd for Air Force. I do not think there is anything unusual, and I do not think there is any cause for any alarm or for any anxiety.

Then, Sir, something has been said with regard to item No. 125. It is with regard to the Delhi rationing. All the purchases of foodgrains used to be financed through the personal ledger account to which the proceeds of grains were also credited. Now it has been decided that all the expenditure incurred on the purchase of food-grains by the Delhi rationing organisation and sale proceeds received should be classified under a separate subhead instead of being posted in the personal ledger account. And therefore this demand is there.

MR. DEPUTY CHAIRMAN: Time is up.

SHRI M. C. SHAH: Thank you, Sir.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1953-54, as passed by the House of the People, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up clause by clause consideration of the Bill.

Clauses 2 and 3 and the Schedule were added to the Bill.

Clause 1, the Title and the Enacting Formula were added to the Bill.

SHRI M. C. SHAH: Sir, I move:

"That the Bill be returned."

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill be returned.*" The

motion was adopted.